BUDGET RESOLUTION/Tobacco Tax Increase

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Ford motion to table the Exon (for Harkin) amendment No. 1174.

ACTION: MOTION TO TABLE AGREED TO, 68-31

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Exon (for Harkin) amendment would find that the Centers for Disease Control estimate that tobacco products impose a \$20 billion cost per year on Federal health programs like Medicaid and Medicare, and would express the sense of the Senate that any Finance Committee proposal should include a proposal to recover from tobacco companies a portion of the costs their products impose on American taxpayers and Federal health programs.

The amendment was offered after all debate time had expired. However, some statements on amendments were added to the record or were made before the amendments were offered and before debate time had expired. Also, by unanimous consent, 1 minute of time was allowed on each amendment for explanatory statements before each vote. Senator Ford moved to table the Harkin amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

(See other side)

	YEAS (68)		N.	NAYS (31)		NOT VOTING (1)	
	Republicans	Democrats	Republicans	Democrats	Republicans	Democrats	
	(50 or 93%)	(18 or 40%)	(4 or 7%)	(27 or 60%)	(0)	(1)	
Abraham Ashcroft Bennett Bond Brown Burns Campbell Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Helms	Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Mack McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Stevens Thomas Thompson Thurmond Warner	Bingaman Breaux Bumpers Daschle Dodd Exon Ford Glenn Heflin Hollings Inouye Johnston Kerrey Moynihan Nunn Pryor Reid Robb	Chafee Hatfield Lugar Specter	Akaka Baucus Biden Boxer Bradley Bryan Byrd Conrad Dorgan Feingold Feinstein Graham Harkin Kennedy Kerry Kohl Lautenberg Leahy Levin Lieberman Moseley-Braun Murray Pell Rockefeller Sarbanes Simon Wellstone	1—Offic 2—Nece 3—Illne 4—Othe SYMBO AY—Ai	r LS: nnounced Yea nnounced Nay ired Yea	

VOTE NO. 208 MAY 25, 1995

The Harkin amendment would express the sense of the Senate that up to a \$140 billion tax increase should be placed on the tobacco industry. It is certainly not our sense that such an enormous new tax should be passed, so we accordingly support the motion to table.

Those opposing the motion to table contended:

The adoption of this amendment would put the Senate on record in support of efforts to have tobacco companies pay a portion of the costs their products impose on American taxpayers and the Medicare and Medicaid programs. The Centers for Disease Control estimate that those costs are approximately \$20 billion per year. We think it is fair to make those companies pay, and thus oppose the motion to table.